

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In re the Matter of the Proposed Merger of)	FINDINGS OF FACT, CONCLUSIONS OF
Steele Traill County Mutual Insurance)	LAW, AND ORDER
Company with And into Cass County)	FILE NO. CO-25-909
Mutual Insurance Company)	

INTRODUCTION

A. Steele Traill County Mutual Insurance Company (“Steele Traill Mutual”) and Cass County Mutual Insurance Company (“Cass County Mutual”), both domestic mutual insurance companies organized in the State of North Dakota pursuant to Chapt. 26.1-13 of the North Dakota Century Code, filed a Petition seeking approval from the North Dakota Insurance and Securities Department (the “Department”) to merge Steele Traill Mutual with and into Cass County Mutual.

B. Pursuant to notice, a hearing as required by North Dakota Century Code § 26.1-07-04 was convened at 10:00 a.m. on Tuesday, November 18, 2025, in the Sakakawea Room of the North Dakota State Capitol, located at 600 East Boulevard Avenue, Bismarck, North Dakota.

C. The public hearing was held before Jon Godfread, Hearing Officer and North Dakota Insurance Commissioner. Present and appearing at the hearing were Jamie L. Struthers, legal counsel for the Department; Blaine T. Johnson, partner with the Crowley Fleck PLLP law firm in Bismarck, North Dakota on behalf of Cass County Mutual; Janel B. Fredericksen, partner with the Smith & Strege Ltd. law firm in Wahpeton, North Dakota on behalf of Steele Traill Mutual; Matt Fischer, Chief Director of Insurance Regulation for the Department; Lindsey Johnson, Manager of Cass County Mutual; and Amy Czapiewski, Manager of Steele Traill Mutual.

D. Oral testimony was presented at the hearing. Lindsey Johnson testified on behalf of Cass County Mutual. Amy Czapiewski testified on behalf of Steele Traill Mutual. Matt Fischer testified on behalf of the Department. The fully executed Agreement and Plan of Merger with exhibits was entered into the record.

E. The North Dakota Insurance Commissioner and Hearing Officer, after having reviewed the testimony presented at the hearing, exhibits presented at the hearing, and after having considered and reviewed all pleadings and materials on file herein, hereby makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. Steele Traill Mutual and Cass County Mutual are both North Dakota county mutual insurance companies duly organized pursuant to North Dakota Century Code Chapt. 26.1-13.

2. Cass County Mutual has a Certificate of Authority in North Dakota to write property and casualty lines of insurances in the following counties: Barnes, Burleigh, Cass, Dickey, Emmons, Foster, Grand Forks, Griggs, Kidder, LaMoure, Logan, McIntosh, Ransom, Richland, Sargent, Steele, Stutsman, Traill and Wells. Cass County Mutual has approximately 577 policyholders.

3. Steele Traill Mutual has a Certificate of Authority in North Dakota to write property and casualty lines of insurances in the following counties: Bottineau, Rolette, Towner, Cavalier, Pembina, McHenry, Pierce, Benson, Ramsey, Walsh, Sheridan, Wells, Eddy, Foster, Nelson, Grand Forks, Griggs, Steele, Traill, Burleigh, Kidder, Stutsman, Barnes, Cass, Emmons, Logan, LaMoure, Ransom, McIntosh, Dickey, Sargent and Richland. Steele Traill Mutual has approximately 649 policyholders.

4. Steele Traill Mutual and Cass County Mutual negotiated an Agreement and Plan of Merger dated March 11, 2025 ("Plan of Merger") detailing the specific terms and conditions of a merger.

5. On October 16, 2024, at a meeting duly called for the purpose of reviewing and adopting the Plan of Merger, the Board of Directors of Steele Traill Mutual voted unanimously to approve the Plan of Merger.

6. On March 4, 2025, at a meeting duly called for the purpose of reviewing and adopting the Plan of Merger, the Board of Directors of Cass County Mutual voted unanimously to approve the Plan of Merger.

7. Notice of Annual Meeting of Policyholders specifically providing notice of the request to approve the Plan of Merger and including a summary of the proposed merger was mailed to all policyholders of Steele Traill Mutual on March 5, 2025. On March 24, 2025, the Annual Meeting was held in Finley, North Dakota for the purpose approving the Plan of Merger. At this meeting, a majority of the policy holders of Steele Traill Mutual did affirmatively vote to approve the Plan of Merger.

8. Notice of Annual Meeting of Policyholders specifically providing notice of the request to approve the Plan of Merger was mailed to all policyholders of Cass County Mutual on April 14, 2025. On May 14, 2025, the Annual Meeting of the policyholders of Cass County Mutual was held in Casselton, North Dakota for the purpose of approving the Plan of Merger. At this meeting, the policy holders of Cass County Mutual did unanimously vote to approve the Plan of Merger.

9. The Plan of Merger provides that the merger of Steele Traill Mutual with and into Cass County Mutual shall be subject to the issuance of an Order by the Insurance Commissioner of the State of North Dakota, and approval by a majority of the policyholders of each merging company present and voting at a meeting of such members called to consider the adoption of the Plan of Merger. The effective date of the merger shall be the later of January 1, 2026, or the date of filing with the North Dakota Secretary of State.

10. The Plan of Merger provides that the existing policies of Steele Traill Mutual will be assumed by Cass County Mutual; Cass County Mutual's agency agreement will be offered to existing Steele Traill Mutual agents who do not already have an agency agreement in force with Cass County Mutual; the surviving company will retain the same level of staff positions following the merger unless reduced through retirement or voluntary resignations or at a discretion of a majority of the Board of Directors; that the Board of Directors of the surviving company will be initially comprised of all current directors from both Steele Traill Mutual and Cass County Mutual; that the initial officers of the surviving company shall be Mark Kloster as President, David Piper as Vice-President, and Lindsey Johnson as Secretary/Treasurer; and the surviving company will continue to offer the same lines of insurance following the merger as in the past. The surviving company will adopt the underwriting standards and rates of Cass County Mutual. The home office of Steele Traill Mutual in Finley, North Dakota will be retained following the merger. The name of the surviving company shall be Mainstreet Mutual Insurance Company.

11. The Plan of Merger also provides that as of the effective date of this merger, title or right to all property (real, personal and mixed) owned or possessed by Steele Traill Mutual shall accrue to Cass County Mutual without reversion or impairment.

12. A merger between Steele Traill Mutual and Cass County Mutual will help preserve the integrity of the county mutual system, secure financial condition of the policyholders of Steele Traill Mutual, spread risk of loss to a greater geographical area, and help to manage reinsurance costs.

13. Steele Traill Mutual provided notice of the public hearing to each of its policyholders by depositing such notice in the U.S. Mail in a sealed envelope with postage prepaid on October 27, 2025 as required by the Order dated October 15, 2025 issued by the North Dakota Insurance Commissioner.

14. Pursuant to and in conformance with N.D.C.C. §26.1-07-04, the Insurance Commissioner caused the Notice and Order of Hearing to be published in five newspapers including a daily newspaper published at the state capital.

15. Matt Fischer testified that the Department received all necessary documents in which to review and evaluate the merger and deemed the Petition complete. Mr. Fischer further testified that in his opinion Cass County Mutual will be able to satisfy the requirements for the issuance of a certificate of authority to write the lines of insurance for which it is presently licensed. Mr. Fischer further testified that Cass County Mutual has a strong experienced team leading it and that a merger would not be against the interest of the policyholders or the public.

16. This merger will not substantially lessen competition in insurance in North Dakota or tend to create a monopoly in this State.

17. This merger is not against the interest of the policyholders or of the public.

18. No officer of a company petitioning for the right to consolidate or to reinsure and an officer or employee of the state has received any compensation or gratuity, either directly or indirectly, for aiding, promoting, or in any manner assisting in the consolidation or reinsurance.

19. No objections to the proposed Merger were offered at the hearing. No member of the public appeared at the hearing to offer support or opposition. No written comments were received by the Department.

CONCLUSIONS OF LAW

1. The North Dakota Insurance Commissioner has jurisdiction over the Petition and parties of this proceeding as authorized under North Dakota Century Code Chapt. 26.1-07.

2. The Petition setting for the terms and conditions of the merger and all necessary materials were properly filed in accordance with North Dakota Century Code § 26.1-07-02.

3. The notice requirements of North Dakota Century Code § 26.1-07-04 were met.

4. The policyholders of both companies were given the opportunity to appear before the North Dakota Insurance Commissioner to be heard as provided by North Dakota Century Code § 26.1-07-06.

5. The proposed merger is equitable to the policyholders of Steele Traill Mutual and Cass County Mutual as required by North Dakota Century Code § 26.1-07-05.1(1).

6. The proposed merger will not materially reduce the financial security of the policyholders of Steele Traill Mutual or Cass County Mutual as required by North Dakota Century Code § 26.1-07-05.1(2).

7. The merger would not have the effect of substantially lessening competition in insurance in North Dakota or tend to create a monopoly in North Dakota.

8. The merger will not jeopardize the financial stability of Cass County Mutual or prejudice the interests of Steele Traill Mutual's former policyholders.

9. The competence, experience and integrity of the directors and executive officers of the surviving company are such that it is in the interests of the policyholders and of the public to permit the merger to occur.

10. The Insurance Commissioner has determined that no reasonable objection exists to the proposed merger and that the interests of Steele Traill Mutual and Cass County Mutual policyholders have been adequately protected as required by North Dakota Century Code § 26.1-07-05.1.

ORDER

IT IS THEREFORE ORDERED, based on the foregoing Findings of Fact and Conclusions of Law, that the Petition for the merger of Steele Trill Mutual Insurance Company and Cass County Mutual Insurance Company is hereby **APPROVED**.

Dated this 22nd day of December 2025.



Jon Godfread
Commissioner
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